

With private eyes and political muscle, horse racing's elite pushed to punish dopers

By **Gus Garcia-Roberts**

April 29, 2021 at 10:00 a.m. EDT

Scott A. Robinson was in the market for revenge. A Lamborghini-driving horseman, he'd gotten rich selling farm animal supplements online. But he claimed he was owed money by a former business partner he'd met at New Jersey's Meadowlands race track.

Then the track's security chief offered to help, Robinson said, connecting him with a private investigation firm called 5 Stones Intelligence, which was known for its formidable federal connections. Robinson met them and agreed to pay \$30,000 for their services, he said, hoping they could help prove his case.

Eager for payback, Robinson wasn't bothered when the investigators' questions veered from his financial dispute with his partner to doping horses. Nor was he concerned when they brought him to a hotel suite where two FBI agents were waiting, and where the questions again veered toward doping.

By around the third time he met with the agents, Robinson said he realized the person under investigation was him.

Before dawn on March 9, 2020, federal agents swarmed Robinson's Florida home, along with the houses, barns and offices of dozens of others around the country. Soon after, prosecutors unsealed indictments against 29 trainers, veterinarians and others on charges related to supplying and administering performance-enhancing drugs to the animals.

Among the indicted were well-known players, including a trainer whose horse had nearly won the previous Kentucky Derby. There were lesser ones, too, like the veterinarian who'd allegedly shipped a package of PEDs including snake venom and a drug known as "Bronk," along with a prescription for a nonexistent dog named Butch. Wiretaps caught horsemen who sounded as jaded as mobsters, including laughing about equine body counts.

The indictments garnered national headlines, as it appeared federal authorities had taken a spontaneous interest in a sport beset by scandal and existential threats: top trainers under a cloud of doping suspicion, dozens of horses dying on the track, revenues dwindling. But what actually transpired, not fully reported until now, was a more labyrinthine plot: a years-long effort by the sport's monied elite to expose the underbelly of the industry, paving the way for sweeping legislation, tucked quietly into a massive spending bill, that would allow industry leaders and allies to police the sport.

To pull it off, records and interviews show, horse racing's old guard used every resource it could muster, including a former minor league ballplayer stalking a New Jersey track for dopers; an intelligence agency led by a hard-charging retired DEA agent; and then-Senate Majority Leader Mitch McConnell.

The plan's lead orchestrator was Stuart Janney III, chairman of a Manhattan-based wealth management firm and son of a famed Maryland horseman. As chairman of the Jockey Club, the thoroughbred industry's blue blood sanctum, Janney, 72, has played a central role in both those indictments and the reform bill. He and his comrades have been at work on both pieces for years, he said, after deciding that fixing the sport's disjointed and often toothless enforcement was up to them.

Critics see something different: a move by wealthy and politically connected horsemen to strengthen their hold on the industry, no matter who gets in their way. That includes Robinson, who later learned that 5 Stones, the agency he was referred to, had been contracted by some of the sport's most powerful players to bust suspected dopers. "I paid to get indicted," Robinson lamented.

But those power brokers make no apologies — and no secret of the fact they have renewed retainers on their battalion of private spies.

"I think it's important that people understand that there's somebody out there that's looking very hard at what they're doing," Janney said in an interview this month. "And they're not just going to get slapped on the wrist, and pay a fine, and disqualify the horse and what have you. That the evidence will be sufficient to send them to jail or send them out of our industry forever."

By Robinson's account, that message has been received, imbuing the sport's biggest event, Saturday's Kentucky Derby, with suspicion.

"Oh yeah, there's a lot of people walking around paranoid right now waiting for the other shoe to fall," said Robinson, adding that horsemen at least now have a better idea of federal agents' scheduling preferences: "We all joke, you know, on Sunday night you better have your clothes packed, because if they come knock your door down, it's always a Monday."

Starting with Jockey Club lifer Arthur B. Hancock III's poorly received "Drugs and Thugs" speech at a 1991 industry symposium, the exclusive 130-member society has made itself an annoyance in racing by focusing on synthetic cheaters.

Critics say the club has overreached its sole role of registering thoroughbreds to maintain the purity of the breed. But members see such causes, unpopular or not, as their calling. When the Manhattan-based club was formed in the late 19th century, it was with a stated intent to "ensure order instead of the growing chaos of racing."

The chaos they perceive these days is in the patchwork regulation of the sport, the purview of 38 state agencies. Those bodies are "their own fiefdoms," Hancock said in a recent interview, with racing commissions stocked by the horsemen "who gave the most money to the governor."

For years, the Jockey Club failed to get the rest of the industry, and Congress, on board to overhaul horseracing's regulatory system. In 2012, it invited Travis Tygart, chief of the U.S. Anti-Doping Agency (USADA), to speak at its annual roundtable. The agency was in the midst of levying doping charges against cyclist Lance Armstrong that would strip him of seven Tour de France titles. The Jockey Club pitched Tygart as the sheriff who could clean up horse racing.

But in 2013, a federal act, which would have given USADA the authority over doping in thoroughbred racing, died without being voted on. As it would be for the rest of the decade, the reform effort was opposed by Churchill Downs Inc., the company that owns the track where the Kentucky Derby is run each spring. In a Securities and Exchange Commission filing in 2015, the company said provisions in that year's incarnation of the bill, including allowing USADA to sanction a track's interstate wagering over doping concerns, "could have a material adverse impact on our business."

And without Churchill Downs, the Jockey Club's Hancock said, they struggled to convince McConnell, the Kentucky senator who in 2015 became majority leader. Richard and Craig Duchossois, the father and son whose family was at one point Churchill Downs' majority shareholders, have since 2010 personally or through their political action committee contributed more than \$7 million to McConnell's campaign committee, leadership PAC and the super PAC for Republicans in the Senate.

"I've known Mitch for years," Hancock said, describing several attempts to get McConnell to put his clout behind efforts to centralize doping regulation. "He said, 'I think what you're doing is a good thing, but until you get Churchill Downs on board, I can't help you.'"

Churchill Downs did not respond to a request for comment. McConnell's office would not make him available for an interview or respond to specific questions for this story.

In late 2015, Janney decided that if the industry and elected officials wouldn't act, the Jockey Club would. He envisioned a private investigation that would expose widespread doping in the sport. But he found initial meetings with detective agencies uninspiring — including one where investigators pitched sending a "fairly-attractive Spanish-speaking woman" to the bars outside of major racetracks to lure drunken trainers into spilling their doping secrets. "We didn't quite understand how that was going to be turned into actionable intelligence," Janney said.

Tygart suggested a more formidable force. 5 Stones Intelligence was, at the time, secretly playing a central role in

uncovering the conspiracy involving Russian state-sponsored doping of its athletes. The intelligence agency was founded by David Tinsley, a former DEA supervisor known for pursuits of some of the most sophisticated criminals on the planet. Tinsley was fired by the DEA for alleged unscrupulous management of a Colombian drug-world informant, but in 2004, a judge reinstated his job, saying his mistakes were “very minor” and “the result of an excess of zeal.”

Tinsley was no doubt zealous: He branded his Miami-based company, named after David’s five stones in his pouch for his battle against Goliath, “the first and only Judeo-Christian intelligence agency and protective intelligence service in the world.”

5 Stones’ pitch involved honing in on those making excess profits from PEDs, Janney recalled, by analyzing the assets of veterinarians and others in the industry. “It was all about the dark web,” Janney said, and “cyber stuff.”

Janney said that when the Jockey Club retained 5 Stones, he had a single instruction: no small fish. “I’m sure there are people out there that are doing little things here and there,” Janney said he told them. “We’re not interested. That’s something the racing commissions can work on, et cetera. We’re after the people that by their conduct have a really significant impact on our game.”

Wrapping up ‘Tiffany’s Box’

As it set out to root out cheaters, the Jockey Club found two kindred spirits across the Hudson River, at the Meadowlands race track in New Jersey. Jeffrey Gural, a second-generation New York City developer, runs the track, which hosts thoroughbred and harness racing. Brice Cote, a former minor league relief pitcher and police detective, is its security chief. Together, they seemed to consider antagonizing suspected dopers to be as much of a sport as racing itself.

Cote conducted surveillance on trainers and developed track informants, Gural said, and they shipped horse blood and

urine to Hong Kong because they believe it has better testing. Gural acknowledges that they've banned trainers from his tracks based on little more than informed suspicion. When one of those trainers sued but the ban was upheld, Gural felt vindicated that he could do what he wanted on his property. "So we banned all the people we thought were using drugs, which was a long list," Gural said.

After the Jockey Club hired 5 Stones, Gural was eager to be involved. He said he didn't want to know who the company was investigating, but he acknowledged that Cote was involved in determining targets. "He pointed 5 Stones in the right direction, let's put it that way," Gural said. Several harness racers later indicted had been previously banned from Gural's tracks, including Rene Allard, one of the most successful recent trainers in the sport. When asked if Cote suggested that 5 Stones investigate Allard, Gural responded: "I'm sure he did."

Upon hearing Robinson's account of hiring his own pursuer, Gural laughed. "I've never heard that story," he said, adding that you have to be "tricky" to catch a cheater. Cote declined to be interviewed.

One key target, Tygart said, was the product of the Jockey Club's relationship with USADA. In 2014, the agency received a tip that veterinarian Seth Fishman had provided the PED epogen to a South Florida cycling team, in addition to racehorse trainers. USADA handed over the information to 5 Stones, Tygart said, and the Fishman investigation widened into a network of top trainers and vets suspected of distributing and administering PEDs up the Eastern Seaboard, into Kentucky and Ohio and even to the United Arab Emirates. Fishman was indicted last year; his attorney, Andrew Feldman, declined to comment.

Even as the investigation stretched for years, Jockey Club leaders said the only updates they received about its progress were bills and periodic requests for expensive items like data-analyzing software. According to James Gagliano, the Jockey Club's president, the costs for the investigation were as high as nearly \$2 million in one year. Gural said his own expenses were close to \$1 million.

Janney said none of the Jockey Club board members objected to the plan, with the only agitation stemming from impatience at the pace of the investigation. "Nobody's been indicted yet," Janney remembered them saying. "You know: 'What's happening? Are we going to get our money's worth?'"

But when it was time, 5 Stones Intelligence was well placed to turn their investigation into federal indictments. Not only is it staffed with former federal agents, but the private company has in recent years been awarded millions of dollars worth of business with the Department of Justice and other U.S. agencies, according to a federal contracting database.

Those connections are helpful, Tygart said, because to the DOJ, doping in sport — particularly a sport in which illicit drugs are typically not controlled substances and the athletes aren't human — is "very, very low, if not the lowest, on the priorities list." So the goal is to package what you have on your targets as enticingly as possible, said Tygart: "We call it the Tiffany's box."

Gural put it more bluntly: "Look, if you're just retired from the FBI and your friends are still there and you need a favor..." He added: "And then we got lucky because there was a big scandal in California where horses were dying."

He was referring to 37 track deaths suffered in the 2019 racing year by thoroughbreds at Santa Anita Park in Southern California. The deaths attracted national headlines and sparked multiple official investigations, which found no

criminal wrongdoing by trainers or track operators. But Gural believed drugs were partly at fault, and that the uproar over the deaths contributed to the federal interest in 5 Stones' findings. The U.S. Attorney's Office for the Southern District of New York, where the cases are being prosecuted, did not respond to a message seeking comment.

When the indictments were finally unsealed, they depicted a grisly cost of doping. In one wiretapped conversation, horsemen joked about Allard's standardbreds, which prosecutors claimed died in anguish after being administered misbranded and adulterated drugs. "What's going on with the Allard death camp?" asked indicted trainer Ross Cohen, prompting laughter from a veterinarian.

Another indictment detailed the doomed saga of a horse named X Y Jet, which top trainer Jorge Navarro allegedly coaxed to big-money victories through the regular administration of PEDs, including a blood-builder they referred to as "monkey." In January 2020, the year after X Y Jet won \$1.5 million in a Dubai race, it dropped dead of a heart attack. "You know how many f---ing horses he f---ing killed and broke down that I made disappear?" an assistant trainer remarked during a wiretapped call, referring to Navarro.

Navarro's horses earned roughly \$35 million in the last decade. Indicted trainer Jason Servis, whose horse Maximum Security finished first in the 2019 Kentucky Derby but was disqualified for interference, trained a stable that won more than \$11 million that year. The defense attorney for Cohen declined to be interviewed; the attorneys for Navarro and Servis did not respond to messages seeking comment.

As high profile as some of the trainers were, indicted with them were far more obscure figures like Robinson, the horseman who walked into his own federal sting. Robinson was charged with using websites, like HorsePreRace.com and HorseGold.com, to sell equine performance-enhancing drugs billed as "bloodbuilders," "pain shots," "joint blocks," "red acid," and "Liquid Viagra," without listing their true ingredients on the label.

In an interview, Robinson laughed at the idea that he was a major player in a doping conspiracy. "It was for marketing, honestly," Robinson said of the names he gave his substances. "'Blast Off Red' sounds a whole hell of a lot better than B-12 and some other B vitamins." He claimed he never sold anything that could hurt a horse, but acknowledged the feds wouldn't agree: "They think that everything is dangerous to a horse."

The charges against Robinson, like every other defendant in the indictments, relied on federal laws put on the books in 1938 that address “misbranded” substances, including those that aren’t otherwise illegal. Attorneys representing or allied with the defendants said that it was an overzealous application of vague statutes. “A lot of those people are not guilty of anything that you couldn’t find in any barn,” said Joseph Faraldo, a New York lawyer and chairman of the U.S. Trotting Association, harness racing’s version of the Jockey Club.

Paul D. Petrus Jr., an attorney for indicted assistant trainer Henry Argueta, wrote in an email that misbranding in his opinion “should be a civil or regulatory issue.” He called the charges “horse manure.”

Other defense attorneys declined to comment, many of them citing a court confidentiality order. But Faraldo, who himself has been banned from running horses at Gural’s tracks amid a feud between the two men, said he expected selective prosecution to be raised in court. “There’s going to be some inquiries as to his involvement in prioritizing and directing 5 Stones to do his private bidding,” Faraldo said of Gural. “He directs them towards the success he wants to see in various witch hunts that he has put in his coconut.”

Douglas Lieb, a civil attorney for indicted harness racer Allard, posted online a letter to Gural decrying the investigation’s methods. “5 Stones used aggressive, unlawful tactics in an attempt to coerce witnesses into incriminating others in the industry,” Lieb wrote. “When witnesses refused to participate and told 5 Stones that they were not aware of any wrongdoing, 5 Stones threatened their careers in the industry. You then gave the Government the information that 5 Stones collected through these questionable means.”

Lieb declined to be interviewed for this story or expound on those allegations. Allard’s criminal attorney, Max Nicholas, also declined to comment.

“That’s totally false,” Tinsley, the former DEA agent who runs 5 Stones, said in reference to Lieb’s claims. He otherwise declined to answer any other questions, saying: “I can’t really comment on this case as long as we’re doing historic things.”

Most of the cases are pending, but three defendants have pleaded guilty. Last September, Robinson video-conferenced into a Manhattan courtroom to admit his crime. “I didn’t do my due diligence, and I introduced and sold drugs that were mislabeled and/or misbranded,” Robinson told the court, adding that most of the mislabeled substances were actually omeprazole, an ulcer treatment for horses.

He was sentenced in March to 18 months in prison, which he will begin later this year. He also has to forfeit more than \$3.8 million in proceeds from the websites, though he claims horses were a “minuscule part” of his business, which also included supplements for racing pigeons, dogs, camels and other animals.

Robinson said the hardest part of his punishment is a lifelong ban on training or raising horses. He grew up in a family of horsemen in Ohio, and expressed contrition for his role — however small he claimed it to be — in harming its integrity. “I love this sport,” Robinson said. “I never meant to put a black eye on it.”

Notably absent from the indictments were the biggest fish: the owner, who gets the lion’s share of the profits from a doped horse. Asked if he wanted to put owners in cuffs as well, Janney responded: “I think if there’s an owner who’s actively involved in the commission of these things, then that would certainly be somebody I’d love to see have their day in court.”

A paranoid Derby

The day that the indictments were made public, the Jockey Club issued a news release, declaring: “From this point forward, it will be critical to the future of the sport that the reforms that are so badly needed are pressed forward by all segments of the industry.”

It called for the passage of the Horseracing Integrity Act of 2019, the latest edition of its long-pursued legislation, which would create an authority composed of Tygart and a dozen others selected by the USADA, with the power to impose sanctions up to a lifetime ban from racing.

The Jockey Club insists that the push for indictments had nothing to do with the anti-doping legislation. Gural, though, differs in that he saw one effort as clearly having the potential to lead to the other. “Yes, I thought that would help,” Gural said.

The Jockey Club expertly timed an all-out political push. It had formed a political action committee, or PAC, in late 2015, the same period in which it initially contracted with 5 Stones. In the 2020 election cycle, the PAC contributed \$64,000 to the campaigns of federal candidates or affiliated committees, most of them Republicans. It sent \$20,000 to McConnell and a committee in his name, and \$5,000 to the Senate Georgia Battleground Fund, which was working to help Republicans, and McConnell, keep Senate control. The Coalition for Horse Racing Integrity, which includes the Jockey Club, other horsemen groups and animal welfare organizations, has spent \$830,000 on lobbying since 2018, according to OpenSecrets.org.

In September 2020, the week of the delayed Kentucky Derby and roughly six months after the indictments, McConnell announced that he was introducing his own legislation, the Horseracing Integrity and Safety Act of 2020. McConnell

said that after reading an editorial in The Washington Post condemning the sport following the indictments, he “gasped” and “thought it might be a good time to talk to all the various players” about another attempt at legislation.

According to members of the Jockey Club, who were involved in the negotiations, McConnell’s new bill reflected a compromise in order to get Churchill Downs to support it. “I think when Sen. McConnell saw the need to get this done, I believe he probably spoke with Churchill Downs, and they mutually agreed that they needed to get behind it and help get it done,” Hancock said.

The most significant change from the previous version of the bill was that Tygart and USADA were removed from the governing authority, replaced by nine directors, four of whom were to be from the horse industry. Instead, USADA would be hired as the anti-doping enforcement agency, pending a contractual agreement. McConnell’s bill also mandated track safety measures.

The final hurdle was squeezing the legislation into a hotly contested spending bill that included \$900 billion in long-delayed covid-19 relief that passed in December. Gural, a longtime Democratic donor, said the Jockey Club mostly worked on the Republicans while he handled his side. The bill passed, and two days after Christmas, President Donald Trump signed the act into law.

It has since been the target of lawsuits from horse industry groups that have decried it as unconstitutional and said it “gives power to regulate an entire industry to a private group of industry insiders.” If it survives the litigation, the new authority will go into effect by mid-2022. In the meantime — and for the foreseeable future — the Jockey Club and Gural have said they plan to continue funding 5 Stones’ shadowy investigative efforts.

Janney spent the run-up to the Kentucky Derby fishing in the Bahamas. On the weekend of the big race, he’ll be in Kentucky, where he plans to check out a few of his foals and watch his colt Scarlett Sky race in the undercard American Turf Stakes before flying home to catch the Derby on television. He and others in the Jockey Club love the rumors swirling that there will be more indictments soon.

Gagliano, the club’s president, anticipated the Derby social scene among professional circles would be seriously stifled. “They’re probably wondering, ‘Is that guy with the government?’ ” Gagliano said. “Is that guy with 5 Stones or some other security agency?’ There’s probably plenty of people in this sport that never thought this would happen.”